

## ***Identification of the Area***

**Name or Designation: Bothell/Kirkland**

### **Area 85**

#### **Boundaries:**

West – Lake Washington and the City of Kenmore

North – Snohomish County

East – I-405 Freeway

South – Highway 520

#### **Maps:**

A general map of the area is included in this report. More detailed Assessor's maps are located on the 7<sup>th</sup> floor of the King County Administration Building.

#### **Area Description:**

Geographic Area 85 consists of neighborhoods and cities located northeast of Lake Washington, which boundaries are generally defined as the King/Snohomish County line to the north, State Route 522 to the south, Interstate 405 to the east, and Lake Washington/City of Kenmore to west. The City of Bothell and Kenmore are located at the northern sector of Area 85, while the City of Kirkland encompasses Area 85's southern end. Located between the City of Bothell and Kenmore to the north, and the City of Kirkland to the south are two neighborhoods known as Juanita and Finn Hill. Much of these neighborhoods are located in unincorporated King County, and as such, are governed by King County zoning and land use guidelines.

#### **Kirkland (Neighborhoods 85-25, 85-35, 85-40, 85-45, 85-55, 85-60, 85-65, 85-70, and 85-75):**

The City of Kirkland is located on the eastern shore of Lake Washington, just north of Bellevue and west of Redmond. Kirkland is at once charming and modern. In a half-square mile, it boasts one of the most dynamic downtowns in the state. New office and condominium projects continue to be built at a moderate pace, with older retail buildings being renovated into Art Galleries, Restaurants, and Boutiques along Lake Street, Park Lane, and Central Way. They truly reflect the vitality and strength of the immediate area and the region.

A healthy mix of small business, corporate headquarters, light industrial and manufacturing, and a growing base of high-tech and home-based businesses characterize Kirkland's local economy. A competitive business climate, with no local Business and Occupation (B&O) tax, and high quality of life make Kirkland a desirable location for both local and world-class enterprises.

Each of Kirkland's economic neighborhoods is distinct. Totem Lake has a concentration of high-tech, healthcare, manufacturing and distribution industries. It is also home to Totem Lake Mall. Downtown Kirkland and Carillon Point house an expanding financial and professional services sector attracted to Kirkland's high quality environment and easy access. Neighborhood business districts in Juanita, Houghton and Bridle Trails serve local needs and provide support services to Kirkland regional businesses.

**Bothell (Neighborhood 85-20):** The City of Bothell is located at the north end of Lake Washington at the crossroads of State Highways 522 and 527, and Interstate 405. Residents may commute from Bothell to either Seattle or Everett, both of which are 20 minutes away. Bothell was incorporated in 1909 and still retains its historic charm with a small hometown feel - complete with family neighborhoods and parks, churches, educational facilities, and growing businesses.

About half of Bothell is located in King County, with the remaining in Snohomish County

Bothell's Technology Corridor is a series of four modern business parks poised to accommodate producers of the fast growing high technology industries that makes Bothell more than a suburb. Each of these developments—Canyon Park Business Center, North Creek, Quadrant North Creek and Quadrant Monte Villa Center—provides a quality “home” for the businesses located there. The Technology Corridor is home to major employers such as electronics firms ATL and Quinton Instruments; bio-technology firms ICOS and Immunex; telecommunications giant AT&T Wireless; and casual clothing leader Eddie Bauer. These employers are a big draw for an ever larger, more affluent population to Bothell and an expanding service and retail base.

The city's increasing demand for retail, lodging and entertainment will be further enhanced once the University of Washington Bothell/ Cascadia Community College reaches enrollment projections in the next 10 years. Overall growth will fuel expansion and redevelopment of community and neighborhood shopping centers in downtown Bothell, at Canyon Park, and along main arteries such as Beardslee Boulevard, State Routes 522 and 527. Unique regional shopping, such as the entertaining and unique collection of antique and crafts dealers at Bothell's Country Village, should also do well.

**Kenmore (Neighborhood 85-10):** Over the past decade, the City of Kenmore's population grew to house commuters who drive to work in nearby Seattle, Everett and Bellevue. Many were drawn from the city to Kenmore's large open acreage lots. Some of the neighborhoods, especially those surrounding Inglewood Country Club, are quite upscale.

Perhaps Kenmore's most famous resident is Kenmore Air Harbor, the largest seaplane base in the United States. Other than Kenmore Air Harbor, Kenmore Pre-Mix and Plywood Supply, Kenmore's small business community caters mostly to the shopping and service needs of the immediate residential community.

Kenmore consists of long established, predominately single-family, neighborhoods. New construction continues at a modest pace as developable vacant land becomes increasingly rare. Kenmore offers a complete variety of housing, from posh country club estates to suburban ramblers, apartments, condominiums and manufactured housing.

Future commercial expansion may be just a few years away. A mixed-use development called “Lakepointe” is proposed to be constructed on the current site of the Kenmore Pre-Mix concrete plant, which is located along the shore of Lake Washington at the mouth of the Sammamish River. The proposed development would include 300,000 square feet of office space, 300,000 square feet of commercial space including a 12-screen cinema, a 150 room hotel with meeting space for 500, 400 apartments, 380 condominiums, 400 senior attached apartments, a 65-slip marina, 3,628 parking stalls in 3.5 million square feet of structured parking, a public waterfront park with a promenade and amphitheater.

### **Physical Inspection Area:**

This year, Area 85-25, 85-35, and 85-60 was physically inspected. This represents 216 parcels, approximately 15.87% of the total 1,348 parcels located in Area 85.

### ***Preliminary Ratio Analysis***

A Preliminary Ratio Study was done in April of 2005. The study included sales of improved parcels and showed a COV of 16.76%.

The study was also repeated after application of the 2005 recommended values. The results are included in the validation section of this report, showing an improvement in the COV from 16.76% to 11.99%.

### ***Scope of Data***

#### **Land Value Data:**

Vacant sales from 1/2001 to 12/31/2004 were given primary consideration for valuing land. Since January of 2001, there were approximately 50 land sales in Area 85. The sales verified as “good” were coded “02” in the Assessor’s records. Multi-parcel sales were also considered after combining the various aspects of all parcels involved in the sales.

#### **Improved Parcel Total Value Data:**

Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales considered were verified if possible by calling either the purchaser or seller, inquiring in the field or calling the real estate agent. Characteristic data is verified for all sales if possible. Due to time constraints, interior inspections were limited. Sales are listed in the “Sales Used” and “Sales Not Used” sections of this report. Additional information resides in the Assessor’s procedure manual located in the Public Information area of the King County Administration Building.

### **Land Value**

#### ***Land Sales, Analysis, Conclusions***

Within Geographic Area 85, there were approximately 50 land sales that occurred during the last four years. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. For land valuation purposes, the assessor used GIS (Geographic Information System) as the primary tool to establish new assessed land values. The new land values are based on neighborhood land sales that are equalized with adjacent and similarly zoned properties. In many neighborhoods, new condominium and commercial sites are being created through the demolition of existing single family residences located on commercially zoned lots and through the demolition of older commercial and multi-family buildings.

The recommended land value for the 2005 Assessment year (taxes payable in 2006) results in an average total change from 2004 assessments of +10.18%. The total land assessed value for the 2004 assessment year for Area 85 was \$888,893,900 and the total recommended land assessed value for the 2005 assessment year is \$979,357,500.

#### **Area 85-10 - Kenmore**

Since 2001, there have been a total of five land sales in the Kenmore neighborhood, with only two new land sales since 2003. The assessor used recent historic sales (4 years) and GIS (Geographic Information System) as the primary method of establishing new assessed land values. Since historic multi-family and commercially zoned land sales in the Kenmore market area had similar selling prices per sq.ft., the assessor used location influence and lot size as the primary indicator for estimating land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered.

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
085	010	022604	9066	16,440	1858619	\$100,000	12/13/01	\$6.08	R12	Inferior Location. Next to power sub-station.
085	010	011410	0820	32,194	1865520	\$360,000	01/14/02	\$11.18	R12	Merged w/ minor #0815 since sale
085	010	012604	9078	262,666	1921401	\$1,000,000	10/28/02	\$3.81	RM-18	Raw Tract of Land with wetlands.
085	010	011410	0449	39,242	1950782	\$415,000	04/04/03	\$10.58	R-48	
085	010	011410	0840	51,836	1939091	\$448,000	02/13/03	\$8.64	R-18	Future 19-unit condo complex. Parcel backs Swamp Creek.

### Area 85-20 – Bothell

Since 2001, there have been a total of seventeen land sales in the Bothell neighborhood with nine new land sales taking place since 2003. The assessor used recent historic sales (4 years) and GIS (Geographic Information System) as the primary method of establishing new assessed land values. Since historic multi-family and commercially zoned land sales in the Bothell market area had similar selling prices per sq.ft., the assessor used location influence and lot size as the primary indicator for setting land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered.

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
085	020	082605	9051	17,550	1814720	\$225,000	04/27/01	\$12.82	R-15, OP	
085	020	072605	9126	64,794	1814911	\$990,000	04/30/01	\$15.28	BCP	
085	020	062605	9077	10,018	1817870	\$144,950	05/14/01	\$14.47	R15 OP	
085	020	062605	9078	13,721	1818370	\$148,500	05/14/01	\$10.82	R15 OP	
085	020	062605	9038	16,700	1818359	\$230,000	05/14/01	\$13.77	R15 OP	
085	020	072605	9146	12,750	1820449	\$122,000	05/29/01	\$9.57	R 15	
085	020	072605	9194	17,720	1852554	\$275,000	11/16/01	\$15.52	RD	
085	020	062605	9077	10,018	1922307	\$153,000	11/14/02	\$15.27	R15 OP	
085	020	072605	9111	19,177	1939117	\$230,000	02/14/03	\$12.00	R-15, OP, CB	Future Dental Offices
085	020	082605	9160	17,408	1954354	\$250,000	04/11/03	\$14.36	B C	
085	020	052605	9078	71,303	1943204	\$675,000	10/08/03	\$9.47	R-15, OP	
085	020	072605	9246	76,666	1933568	\$230,000	10/09/03	\$3.00	R-15, OP, CB	Backs Sammamish Slough
085	020	082605	9272	79,960	2016627	\$750,000	01/30/04	\$9.38	R-15, OP, CB	Backs Sammamish Slough
085	020	082605	9160	17,408	2024758	\$300,000	03/02/04	\$17.23	B C	
085	020	082605	9160	17,408	2052268	\$310,000	06/30/04	\$17.81	B C	
085	020	072605	9111	19,177	2081529	\$250,000	10/26/04	\$13.04	R-15, OP, CB	
085	020	096700	0370	21,600	2092158	\$507,000	12/21/04	\$23.47	R-15, OP, CB	Sale Includes Minor #0370, #0375, & #0380

### Area 85-25 - East Totem Lake (East of I-405)

Since 2001, there has been only one new land sale in the East Totem Lake neighborhood with no new land sales taking place in 2004. The assessor used the most recent historic sales (4 years) and GIS (Geographic Information System) as the primary method of establishing new assessed land values. The assessor also used location influence, zoning, and lot size as an indicator for setting land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered.

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
085	025	389310	0992	57,216	1799753	\$550,000	02/01/01	\$9.61	PO	Raw Land Value Before Development.

### Area 85-30 - Finn Hill/North Juanita

Since 2001, there has been only one new land sale in the Finn Hill/North Juanita neighborhood with no new land sales taking place in 2004. The assessor used the most recent historic sales (4 years) and GIS (Geographic Information System) as the primary method of establishing new assessed land values. The assessor also used location influence, zoning, and lot size as an indicator for setting land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered.

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
085	030	364910	0044	16,021	1830331	\$154,000	07/13/01	\$9.61	R18	

### Area 85-35 - West Totem Lake (West of I-405)

Since 2001, there have been a total of three land sales in the West Totem Lake neighborhood with no new land sales taking place in 2004. The assessor used the most recent historic sales (4 years) and GIS (Geographic Information System) as the primary method of establishing new assessed land values. The assessor also used location influence, zoning, and lot size as an indicator for setting land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered.

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
085	035	282605	9103	121,363	1810872	\$518,462	04/09/01	\$4.27	FCI	Significant Wetlands
085	035	292605	9041	90,232	1852225	\$1,350,000	11/15/01	\$14.96	PLA 10 B	Future 150 Room Hotel
085	035	389060	0150	16,719	1871759	\$270,000	02/22/02	\$16.15	PLA 10 B	Has been segged into three parcels #0150, #0152, and #0154.

### Area 85-40 - Juanita

Since 2001, there have been a total of five land sales in the Juanita neighborhood with two new land sales in 2004. The assessor used recent historic sales (4 years) and GIS (Geographic Information System) as the primary method of establishing new assessed land values. The assessor also used location influence, zoning, and lot size as an indicator for setting land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered.

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
085	040	302605	9023	32,234	1803556	\$550,000	02/27/01	\$17.06	JBD-2	
085	040	322605	9169	16,161	1830863	\$200,000	07/20/01	\$12.38	RS X 8.	
085	040	292605	9081	17,264	1881137	\$375,000	04/17/02	\$21.72	RM 3.6	
085	040	375790	0055	38,411	2022330	\$1,300,000	03/04/04	\$33.84	JBD1	New Retail
085	040	607650	0060	52,658	2086692	\$575,000	11/24/04	\$10.92	R18SO	

### Area 85-45 – Houghton/South Kirkland

Since 2001, there have been a total of seven land sales in the Houghton/South Kirkland neighborhood. Many of the land sales are a result of a demolition of an existing building to build new condominiums or office buildings. This neighborhood abuts three similar neighborhoods known as Area 85-55, 85-65 and 85-70, and shares similar zoning and land use attributes. Within these four areas, there are a total of 15 land sales used to estimate land values. The assessor used recent historic sales (4 years) and GIS (Geographic Information System) as the primary method of establishing new assessed land values.

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
085	045	253898	8888	19,828	1840245	\$970,000	08/31/01	\$48.92	PLA6 D	Condos = 253898-0000, Old APN 082505-9202 & #9180.
085	045	123510	0024	47,005	1647042	\$1,100,000	09/12/01	\$23.40	LI	Office Bldg. on Ind. Zone Land
085	045	169240	0100	7,540	1902016	\$250,000	08/01/02	\$33.16	RM 3.6	
085	045	082605	9181	19,893	1999557	\$1,040,000	10/24/03	\$52.28	PLA 6 D	Parcels 082505-9181 & 180790-0385
085	045	788260	0280	130,680	2016165	\$3,760,000	01/28/04	\$28.77	RM 50	Large Lot– High Density
085	045	082505	9081	21,785	2025963	\$250,000	03/18/04	\$11.48	RM 3.6	Has Stream And Setback Issues
085	045	123890	0161	18,480	2045016	\$995,000	06/04/04	\$53.84	RM 3.6	Has Been Segged Since Sale.

### Area 85-55 - NW Kirkland

Since 2001, there has been only one land sale in Area 85-55. This land sale was a result of a demolition of two existing apartment buildings. This neighborhood abuts three similar neighborhoods known as Area 85-45, 85-65 and 85-70, and shares similar zoning and land use attributes. Within the four areas, there are a total of 15 land sales used to estimate land values. The assessor used recent historic sales (4 years) and GIS (Geographic Information System) as the primary method of establishing new assessed land values. The assessor used, zoning, location influence, and lot size as an indicator for estimating land values.

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
085	055	124500	1050	30,017	2069563	\$1,590,500	09/14/04	\$52.99	PR3.6	TWO OLD APTS. (TO BE DEMO)

### Area 85-60 - SE Kirkland

No land sales have occurred in this neighborhood since 2001. The assessor used GIS (Geographic Information System) as the primary method of establishing new assessed land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered.

### Area 85-65 - Kirkland CBD

Since 2001, there have been a total of six land sales in the Kirkland CBD neighborhood with all six land sales taking place in 2004. Many of the land sales are a result of a demolition of an existing building to build new mixed-use retail/condominiums or office buildings. This neighborhood abuts three similar neighborhoods known as Area 85-45, 85-55 and 85-70, and as a result share similar zoning and land use attributes. Within the four areas, there are a total of 15 land sales used to estimate land values. The assessor used recent historic sales (4 years) and GIS (Geographic Information System) as the primary method of estimating new assessed land values. The assessor used zoning, location influence, and lot size as an indicator for setting land values.

Waterfront land: Waterfront properties are typically valued on a price per front foot. After conducting a thorough search of comparable multi-family and commercial waterfront land sales within the immediate Kirkland market area, the assessor was able to locate three waterfront land sales since 1998. Two of the waterfront land sales took place in area 85-70, directly south of Kirkland's CBD, while Area 85-65 had one waterfront land sale at \$22,058 per front foot. The three waterfront land sales had front foot values ranging from \$22,000 a front foot to \$26,000 a front foot. In the assessors land analysis, \$20,000 a front foot was used for setting waterfront land values.

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
085	065	788260	0005	72,000	2016373	\$5,500,000	01/29/04	\$76.39	CBD-3	OLD SALVATION SITE
085	065	082505	9175	10,583	2042198	\$3,000,000	05/26/04	\$283.47	WD 1	+/-136 FRONT FEET = \$22,058 PER FRONT FOOT
085	065	390010	1575	5,400	2051668	\$498,000	06/09/04	\$92.22	CBD -7	INCLUDES PARCEL (#0050, #0075, & #0100)
085	065	124400	0040	6,019	2078554	\$696,401	10/21/04	\$115.70	CBD-1	TRANSACTION PART OF E# 2078568 (PARCEL - #0050, #0075, & #0100)
085	065	124400	0050	34,037	2078568	\$3,156,000	10/22/04	\$92.72	CBD-1	TRANSACTION PART OF E# 2078554 (PARCEL - #0040)
085	065	765490	0005	54,135	2082908	\$2,700,000	11/10/04	\$49.88	PLA 6B	

### Area 85-70 - SW Kirkland

Since 2001, there has been one land sales in the SW Kirkland neighborhood. Many of the land sales are a result of a demolition of an existing building to build new mixed-use retail/condominiums or office buildings. This neighborhood abuts three similar neighborhoods known as Area 85-45, 85-55 and 85-65, and as a result share similar zoning and land use attributes. Within the four areas, there are a total of 15 land sales used to estimate land values. The assessor used recent historic sales (4 years) and GIS (Geographic Information System) as the primary method of estimating new assessed land values. The assessor used zoning, location influence, and lot size as an indicator for setting land values.

Waterfront land: Waterfront properties are typically valued on a price per front foot. After conducting a thorough search of comparable multi-family and commercial waterfront land sales within the immediate Kirkland market area, the assessor was able to locate three waterfront land sales since 1998. Two of the land sales took place in area 85-70, while a third land sale took place in Area 85-65 (Kirkland CBD). The three waterfront land sales had front foot values ranging from \$22,000 a front foot to \$26,000 a front foot. In the assessors land analysis, \$20,000 a front foot was used for setting waterfront land values.

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
085	070	410450	0070	9,550	1847015	\$1,300,000	10/15/01	\$136.13	WD III	Waterfront: +/-50FF = \$26,000/FF.

## Area 85-75 - East Kirkland

Since 2001, there have been a total of two land sales in the East Kirkland neighborhood with one new land sales taking place in 2004. The assessor used the most recent historic sales (4 years) and GIS (Geographic Information System) as the primary methods of establishing new assessed land values. The assessor also used location influence, zoning, and lot size as an indicator for setting land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered.

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
085	075	388690	0980	9,900	1958590	\$300,000	05/13/03	\$30.30	RM 3.6	HAS BEEN SEGGED INTO TWO PARCELS (0890 & 0892)
085	075	388690	1870	23,100	2069670	\$760,000	09/10/04	\$32.90	RM 3.6	INCLUDES PARCEL (#1870, #1885, & #1895)

## Improved Parcel Total Values:

### Economic Considerations:

During the past five years, the Puget Sound real estate market place was very active. The eastside market area (Bellevue, Kirkland, Redmond, Woodinville, and Issaquah), especially, experienced rapidly appreciating property values unprecedented in recent memory. This growth was spurred on by new high-tech “dot-com.” startup companies, along with an increasing presence in software, service industries, finance, and aerospace.

During 2002/2003, the Puget Sound economy, along with the national economy, dipped into a moderate recession. The September 11<sup>th</sup> terrorist attacks on the WTC did not help the economy either, and may have prolonged the recession.

In 2004 the eastside market area showed positive signs that the economy was on the rebound. During 2004, Surveyed Area Market Report indicated a moderate drop in overall office vacancy rates on the Eastside (Bellevue, Kirkland, Redmond, Woodinville, and Issaquah). Economic market surveys indicated that the overall eastside market area had vacancy rates ranging between +/-11.9% to +/-13.16%, with downtown Bellevue’s office vacancy rates around +/-10% to +/-15%, and the overall Kirkland office vacancy rate around +/-10% to 13%. The reported vacancy rates do not include available subleased office space. For assessment purposes, the overall Kirkland vacancy rate was estimated between 5% and 15%, with Kirkland’s office vacancy rates ranging between 7% and 11%, while Industrial properties had reported vacancy rates ranging between 7% and 15%.

Within the City of Bothell, the City of Kenmore, and the neighborhood of Juanita, the overall vacancy rates, including office space remained relatively unchanged. The range in vacancy rate for each property type is primarily attributable to the size of the building.

During 2004, asking lease rates for office, retail, and industrial properties, remained relatively stable within the City of Bothell, the City of Kenmore, and the neighborhood of Juanita, while the City of Kirkland’s retail and office market experienced slight increases in asking rents from the previous year. The industrial asking lease rates in the Kirkland/Totem Lake market area remained relatively unchanged from the previous year.



### ***Sales comparison approach model description***

The model for sales comparison was based on four data sources from the Assessor's records, occupancy codes, age, condition and size. A search was made on data that most closely fit a subject property within each geographic area.

### **Sales comparison calibration**

The search for comparable sales was within each geographic neighborhood and expanding to include the surrounding neighborhoods within the geographic area.

### **Cost approach model description**

The Marshall & Swift Commercial Estimator was automatically calculated on all properties. Depreciation was also based on studies done by Marshall & Swift Valuation Service. The cost was adjusted to the western region and the Seattle area.

### **Cost calibration**

Each appraiser valuing new construction can individually calibrate Marshall-Swift valuations to specific buildings in our area by accessing the parcel and the computerized valuation model supplied by Marshall & Swift.

### **Income capitalization approach model description**

Income tables were developed for each of the twelve neighborhoods. The tables are for the following property types: Retail, Industrial Engineering Buildings, Medical and Dental Offices, Discount Stores Storage Garage, Basement Finish, Restaurant, Storage Warehouse, Office, and an exclusion table indicating property uses not covered by an income table. Some property uses, such as offices, have multiple tables depending upon the net rentable area. There are a total of 302 tables. All tables are included.

### **Income approach calibration**

The tables were calibrated after setting economic rents, vacancy, expenses and capitalization rates by using adjustments based on size, effective age, and construction quality as recorded in the Assessor's records.

Income parameters were derived from the market place through the listed fair market sales as well as through quarterly market surveys, published sources (i.e. Office Space Dot.Com, Commercial Brokers Association, Multiple Corporate Real Estate Websites), and opinions expressed by real estate professionals active in the market.

Vacancy rates used were derived mainly from published sources tempered by personal observation.

Expense ratios were estimated based on industry standards, published sources, and personal knowledge of the area's rental practices.

Capitalization rates were determined by personal analysis of the sales in the area on sold properties where there was income information available, and published market surveys, such as CoStar, Real Estate Analytics, The American Council of Insurance Adjustors, and Korpaz.

### Area 85-10 - Kenmore

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate per Sq.Ft./%	Capitalization Rate %
Office/Medical Office	\$15.00 to \$24.00	5% - 8%	\$5.25/sf - \$6.25/sf	7.75% to 9.75%
Retail/Mixed Use	\$8.00 to \$16.00	5%	10%	7.75% to 9.75%
Industrial/Whse.	\$3.75 to \$7.00	7% - 12%	10%	7.75% to 9.75%

Typically, office/medical office annual rents range from \$15.00 to \$24.00 per square foot of net rentable area. The offices have annual expenses ranging from \$5.25/sf to \$6.25/sf of net rentable area. Overall capitalization rates range from 7.75% to 9.75%.

Typical Retail and Mixed Use Retail have annual rents ranging from \$8.00 to \$16.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.75% to 9.75%.

Industrial/Warehouse rents range from \$3.75 to \$7.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.75% to 9.75%.

For Retail/Mixed-Use properties, the vacancy and credit loss was estimated at 5%, while Industrial/Warehouse buildings had vacancy and credit loss rates ranging from 7% to 12% depending on the size of the building. Office/Medical Office buildings had vacancy and collection loss ranging from 5% to 8% depending on the size of office/medical building.

### Area 85-20 – Bothell

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate per Sq.Ft./%	Capitalization Rate %
Office/Medical Office	\$15.00 to \$24.00	5% - 8%	\$5.25/sf - \$6.25/sf	7.75% to 9.75%
Retail/Mixed Use	\$8.00 to \$16.00	5%	10%	7.75% to 9.75%
Industrial/Whse.	\$3.75 to \$7.00	7% - 12%	10%	7.75% to 9.75%

Typically, office/medical office annual rents range from \$15.00 to \$24.00 per square foot of net rentable area. The offices have annual expenses ranging from \$5.25/sf to \$6.25/sf of net rentable area. Overall capitalization rates range from 7.75% to 9.75%.

Typical Retail and Mixed Use Retail have annual rents ranging from \$8.00 to \$16.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.75% to 9.75%.

Industrial/Warehouse rents range from \$3.75 to \$7.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.75% to 9.75%.

For Retail/Mixed-Use properties, the vacancy and credit loss was estimated at 5%, while Industrial/Warehouse buildings had vacancy and credit loss rates ranging from 7% to 12% depending on the size of the building. Office/Medical Office buildings had vacancy and collection loss ranging from 5% to 8% depending on the size of office/medical building.

**Area 85-25 – East Totem Lake (East of I-405)**

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate per Sq.Ft./%	Capitalization Rate %
Office/Medical Office	\$16.50 to \$25.00	6% - 11%	\$6.25/sf - \$7.50/sf	7.25% to 10.25%
Retail/Mixed Use	\$11.50 to \$19.50	5%	10%	7.25% to 10.25%
Industrial/Whse.	\$4.00 to \$8.00	7% - 15%	10%	7.25% to 10.25%

Typically, office/medical office annual rents range from \$16.50 to \$25.00 per square foot of net rentable area. The offices have annual expenses ranging from \$6.25/sf to \$7.50/sf of net rentable area. Overall capitalization rates range from 7.25% to 10.25%.

Typical Retail and Mixed Use Retail have annual rents ranging from \$11.50 to \$19.50 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.25% to 10.25%.

Industrial/Warehouse rents range from \$4.00 to \$8.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.25% to 10.25%.

For Retail/Mixed-Use properties, the vacancy and credit loss was estimated at 5%, while Industrial/Warehouse buildings had vacancy and credit loss rates ranging from 7% to 15% depending on the size of the building. Office/Medical Office buildings had vacancy and collection loss ranging from 6% to 11% depending on the size of office/medical building.

**Area 85-30 - Finn Hill/North Juanita**

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate per Sq.Ft./%	Capitalization Rate %
Office/Medical Office	\$15.00 to \$24.00	5% - 8%	\$5.75/sf - \$6.50/sf	7.75% to 9.75%
Retail/Mixed Use	\$9.50 to \$17.50	5%	10%	7.75% to 9.75%
Industrial/Whse.	\$4.00 to \$8.00	8% - 10%	10%	7.75% to 9.75%

Typically, office/medical office annual rents range from \$15.00 to \$24.00 per square foot of net rentable area. The offices have annual expenses ranging from \$5.75/sf to \$6.50/sf of net rentable area. Overall capitalization rates range from 7.75% to 9.75%.

Typical Retail and Mixed Use Retail have annual rents ranging from \$9.50 to \$17.50 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.75% to 9.75%.

Industrial/Warehouse rents range from \$4.00 to \$8.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.75% to 9.75%.

For Retail/Mixed-Use properties, the vacancy and credit loss was estimated at 5%, while Industrial/Warehouse buildings had vacancy and credit loss rates ranging from 8% to 10% depending on the size of the building. Office/Medical Office buildings had vacancy and collection loss ranging from 5% to 8% depending on the size of office/medical building.

### Area 85-35 - West Totem Lake (West of I-405)

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate per Sq.Ft./%	Capitalization Rate %
Office/Medical Office	\$14.00 to \$25.00	6% - 11 %	\$6.25/sf - \$7.50/sf	7.25% to 10.25%
Retail/Mixed Use	\$11.50 to \$19.50	5 %	10%	7.25% to 10.25%
Industrial/Whse.	\$4.00 to \$8.00	7% - 15 %	10%	7.25% to 10.25%

Typically, office/medical office annual rents range from \$14.00 to \$25.00 per square foot of net rentable area. The offices have annual expenses ranging from \$6.25/sf to \$7.50/sf of net rentable area. Overall capitalization rates range from 7.25% to 10.25%.

Typical Retail and Mixed Use Retail have annual rents ranging from \$11.50 to \$19.50 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.25% to 10.25%.

Industrial/Warehouse rents range from \$4.00 to \$8.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.25% to 10.25%.

For Retail/Mixed-Use properties, the vacancy and credit loss was estimated at 5%, while Industrial/Warehouse buildings had vacancy and credit loss rates ranging from 7% to 15% depending on the size of the building. Office/Medical Office buildings had vacancy and collection loss ranging from 6% to 11% depending on the size of office/medical building.

### Area 85-40 - Juanita

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate per Sq.Ft./%	Capitalization Rate %
Office/Medical Office	\$12.00 to \$24.00	5% - 9 %	\$6.25/sf - \$6.50/sf	7.75% to 9.75%
Retail/Mixed Use	\$10.00 to \$22.00	5% - 6 %	10%	7.75% to 9.75%
Industrial/Whse.	\$4.00 to \$8.00	8% - 10 %	10%	7.75% to 9.75%

Typically, office/medical office annual rents range from \$12.00 to \$24.00 per square foot of net rentable area. The offices have annual expenses ranging from \$6.25/sf to \$6.50/sf of net rentable area. Overall capitalization rates range from 7.75% to 9.75%.

Typical Retail and Mixed Use Retail have annual rents ranging from \$10.00 to \$22.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.75% to 9.75%.

Industrial/Warehouse rents range from \$4.00 to \$8.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.75% to 9.75%.

For Retail/Mixed-Use properties, the vacancy and credit loss ranged from 5% to 6%, while Industrial/Warehouse buildings had vacancy and credit loss rates ranging from 8% to 10% depending on the size of the building. Office/Medical Office buildings had vacancy and collection loss ranging from 5% to 9% depending on the size of office/medical building.

### Area 85-45 – Houghton/South Kirkland

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate per Sq.Ft./%	Capitalization Rate %
Office/Medical Office	\$14.50 to \$26.50	7% - 11 %	\$7.00/sf - \$7.50/sf	7.25 % to 10.50%
Retail/Mixed Use	\$10.00 to \$19.00	8% - 9%	10%	7.25 % to 10.50%
Industrial/Whse.	\$4.00 to \$8.00	7% - 15 %	10%	7.25 % to 10.50%

Typically, office/medical office annual rents range from \$14.50 to \$26.50 per square foot of net rentable area. The offices have annual expenses ranging from \$7.00/sf to \$7.50/sf of net rentable area. Overall capitalization rates range from 7.25% to 10.50%.

Typical Retail and Mixed Use Retail have annual rents ranging from \$10.50 to \$19.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.25% to 10.50%.

Industrial/Warehouse rents range from \$4.00 to \$8.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.25% to 10.50%.

For Retail/Mixed-Use properties, the vacancy and credit loss ranged from 8% to 9%, while Industrial/Warehouse buildings had vacancy and credit loss rates ranging from 7% to 15% depending on the size of the building. Office/Medical Office buildings had vacancy and collection loss ranging from 7% to 11% depending on the size of office/medical building.

### Area 85-55 - NW Kirkland

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate per Sq.Ft./%	Capitalization Rate %
Office/Medical Office	\$15.00 to \$26.50	7% - 11 %	\$6.25/sf - \$7.50/sf	7.25 % to 10.25%
Retail/Mixed Use	\$10.50 to \$18.50	5%	10%	7.25 % to 10.25%
Industrial/Whse.	\$4.00 to \$8.00	7% - 15 %	10%	7.25 % to 10.25%

Typically, office/medical office annual rents range from \$15.00 to \$26.50 per square foot of net rentable area. The offices have annual expenses ranging from \$6.25/sf to \$7.50/sf of net rentable area. Overall capitalization rates range from 7.25% to 10.25%.

Typical Retail and Mixed Use Retail have annual rents ranging from \$10.50 to \$18.50 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.25% to 10.25%.

Industrial/Warehouse rents range from \$4.00 to \$8.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.25% to 10.25%.

For Retail/Mixed-Use properties, the vacancy and credit loss was estimated at 5%, while Industrial/Warehouse buildings had vacancy and credit loss rates ranging from 7% to 15% depending on the size of the building. Office/Medical Office buildings had vacancy and collection loss ranging from 7% to 11% depending on the size of office/medical building.

### Area 85-60 - SE Kirkland

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate per Sq.Ft./%	Capitalization Rate %
Office/Medical Office	\$14.50 to \$26.50	7% - 11%	\$7.00/sf - \$7.50/sf	7.50 % to 10.50%
Retail/Mixed Use	\$11.00 to \$19.00	8% - 9%	10%	7.50 % to 10.50%
Industrial/Whse.	\$4.00 to \$8.00	7% - 15%	10%	7.50 % to 10.50%

Typically, office/medical office annual rents range from \$14.50 to \$26.50 per square foot of net rentable area. The offices have annual expenses ranging from \$7.00/sf to \$7.50/sf of net rentable area. Overall capitalization rates range from 7.50% to 10.50%.

Typical Retail and Mixed Use Retail have annual rents ranging from \$11.00 to \$19.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.50% to 10.50%.

Industrial/Warehouse rents range from \$4.00 to \$8.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.50% to 10.50%.

For Retail/Mixed-Use properties, the vacancy and credit loss ranged from 8% to 9%, while Industrial/Warehouse buildings had vacancy and credit loss rates ranging from 7% to 15% depending on the size of the building. Office/Medical Office buildings had vacancy and collection loss ranging from 7% to 11% depending on the size of office/medical building.

### Area 85-65 - Kirkland CBD

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate per Sq.Ft./%	Capitalization Rate %
Office/Medical Office	\$14.00 to \$28.00	7% - 11%	\$7.00/sf - \$7.50/sf	7.25 % to 10.50%
Retail/Mixed Use	\$10.50 to \$23.00	5%	10%	7.25 % to 10.50%
Industrial/Whse.	\$4.00 to \$8.00	7% - 15%	10%	7.25 % to 10.50%

Typically, office/medical office annual rents range from \$14.00 to \$28.00 per square foot of net rentable area. The offices have annual expenses ranging from \$7.00/sf to \$7.50/sf of net rentable area. Overall capitalization rates range from 7.25% to 10.50%.

Typical Retail and Mixed Use Retail have annual rents ranging from \$10.50 to \$23.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.25% to 10.50%.

Industrial/Warehouse rents range from \$4.00 to \$8.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.25% to 10.50%.

For Retail/Mixed-Use properties, the vacancy and credit loss was estimated at 5%, while Industrial/Warehouse buildings had vacancy and credit loss rates ranging from 7% to 15% depending on the size of the building. Office/Medical Office buildings had vacancy and collection loss ranging from 7% to 11% depending on the size of office/medical building.

## 85-70 - East Kirkland

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate per Sq.Ft./%	Capitalization Rate %
Office/Medical Office	\$14.00 to \$28.00	7% - 11 %	\$7.00/sf - \$7.50/sf	7.50 % to 10.50%
Retail/Mixed Use	\$10.50 to \$22.50	5% - 6%	10%	7.50 % to 10.50%
Industrial/Whse.	\$4.00 to \$8.00	7% - 15 %	10%	7.50 % to 10.50%

Typically, office/medical office annual rents range from \$14.00 to \$28.00 per square foot of net rentable area. The offices have annual expenses ranging from \$7.00/sf to \$7.50/sf of net rentable area. Overall capitalization rates range from 7.50% to 10.50%.

Typical Retail and Mixed Use Retail have annual rents ranging from \$10.50 to \$22.50 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.50% to 10.50%.

Industrial/Warehouse rents range from \$4.00 to \$8.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.50% to 10.50%.

For Retail/Mixed-Use properties, the vacancy and credit loss ranged from 5% to 6%, while Industrial/Warehouse buildings had vacancy and credit loss rates ranging from 7% to 15% depending on the size of the building. Office/Medical Office buildings had vacancy and collection loss ranging from 7% to 11% depending on the size of office/medical building.

## Kirkland Area 85-75

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate per Sq.Ft./%	Capitalization Rate %
Office/Medical Office	\$14.00 to \$25.00	7% - 11 %	\$6.25/sf - \$7.50/sf	7.25 % to 10.25%
Retail/Mixed Use	\$11.50 to \$19.50	8% - 9%	10%	7.25 % to 10.25%
Industrial/Whse.	\$4.00 to \$8.00	7% - 15 %	10%	7.25 % to 10.25%

Typically, office/medical office annual rents range from \$14.00 to \$25.00 per square foot of net rentable area. The offices have annual expenses ranging from \$6.25/sf to \$7.50/sf of net rentable area. Overall capitalization rates range from 7.25% to 10.25%.

Typical Retail and Mixed Use Retail have annual rents ranging from \$11.50 to \$19.50 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.25% to 10.25%.

Industrial/Warehouse rents range from \$4.00 to \$8.00 per square foot of net rentable area. Operating expenses were estimated at 10%, with capitalization rates ranging from 7.25% to 10.25%.

For Retail/Mixed-Use properties, the vacancy and credit loss ranged from 8% to 9%, while Industrial/Warehouse buildings had vacancy and credit loss rates ranging from 7% to 15% depending on the size of the building. Office/Medical Office buildings had vacancy and collection loss ranging from 7% to 11% depending on the size of office/medical building.

***Reconciliation and or validation study of calibrated value models including ratio study of hold out samples.***

All parcels were individually reviewed by the area appraisers for correctness of the table application before final values were selected. Each appraiser can adjust any or all of the factors used to establish value by the model. The market rents as established by the income model were used as a guide in establishing the market rental rates used. The market rental rates applied vary somewhat but falls within an acceptable range of variation from the established guideline. Final value selects were reviewed by the Senior Appraisers before posting.

## **Model Validation**

***Total Value Conclusions, Recommendations and Validation:***

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel is field reviewed and a value selected based on general and specific data pertaining to the parcel, the neighborhood, and the market. The Appraiser determines which available value estimate may be appropriate and may adjust by particular characteristics and conditions as they occur in the valuation area.

The new assessment level is 96.1%. The standard statistical measures of valuation performance are all within IAAO guidelines and are presented both in the Executive Summary and in the 2004 and 2005 Ratio Analysis charts included in this report.

The total assessed value for the 2004 assessment year for Area 85 was \$1,942,374,700. The total recommended assessed value for the 2005 assessment year is \$2,090,387,400.

Application of these recommended values for the 2005 assessment year (taxes payable in 2006) results in an average total change from the 2004 assessments of +7.62%.

	<b>2004 Total</b>	<b>2005 Total</b>	<b>\$ Increase</b>	<b>% Change</b>
<b>Total Value</b>	\$1,942,374,700	\$2,090,387,400	\$148,012,700	+ 7.62%

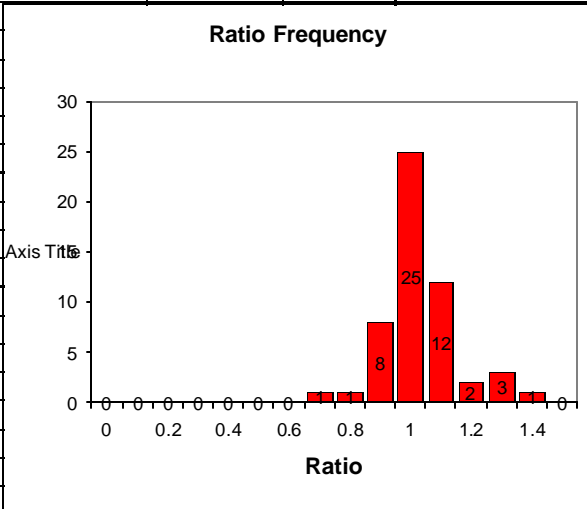
**Note:** More details and information regarding aspects of the valuations and the report are retained in the working files and folios kept in the assessor's office.



## Improvement Ratio Study (Before) 2004 Assessments

Quadrant/Crew:	Lien Date:	Date:	Sales Dates:																								
East Crew	1/1/2004	4/14/2005	1/9/02 - 12/14/04																								
Area	Appr ID:	Prop Type:	Trend used?: Y / N																								
085-000	STRO	Improvement	N																								
SAMPLE STATISTICS																											
Sample size (n)	53	<div>Ratio Frequency</div> <table><thead><tr><th>Ratio</th><th>Frequency</th></tr></thead><tbody><tr><td>0.5-0.6</td><td>1</td></tr><tr><td>0.6-0.7</td><td>1</td></tr><tr><td>0.7-0.8</td><td>4</td></tr><tr><td>0.8-0.9</td><td>6</td></tr><tr><td>0.9-1.0</td><td>9</td></tr><tr><td>1.0-1.1</td><td>23</td></tr><tr><td>1.1-1.2</td><td>6</td></tr><tr><td>1.2-1.3</td><td>1</td></tr><tr><td>1.3-1.4</td><td>2</td></tr><tr><td>1.4-1.5</td><td>0</td></tr><tr><td>1.5-1.6</td><td>0</td></tr></tbody></table>		Ratio	Frequency	0.5-0.6	1	0.6-0.7	1	0.7-0.8	4	0.8-0.9	6	0.9-1.0	9	1.0-1.1	23	1.1-1.2	6	1.2-1.3	1	1.3-1.4	2	1.4-1.5	0	1.5-1.6	0
Ratio	Frequency																										
0.5-0.6	1																										
0.6-0.7	1																										
0.7-0.8	4																										
0.8-0.9	6																										
0.9-1.0	9																										
1.0-1.1	23																										
1.1-1.2	6																										
1.2-1.3	1																										
1.3-1.4	2																										
1.4-1.5	0																										
1.5-1.6	0																										
Mean Assessed Value	1,305,200																										
Mean Sales Price	1,508,200																										
Standard Deviation AV	1,764,822																										
Standard Deviation SP	2,259,725																										
ASSESSMENT LEVEL																											
Arithmetic mean ratio	0.904																										
Median Ratio	0.939																										
Weighted Mean Ratio	0.865																										
UNIFORMITY																											
Lowest ratio	0.4809																										
Highest ratio:	1.2815																										
Coeffient of Dispersion	11.77%																										
Standard Deviation	0.1514																										
Coefficient of Variation	16.76%																										
Price-related Differential	1.04																										
RELIABILITY																											
95% Confidence: Median																											
Lower limit	0.886																										
Upper limit	0.962																										
95% Confidence: Mean																											
Lower limit	0.863																										
Upper limit	0.944																										
SAMPLE SIZE EVALUATION																											
N (population size)	897																										
B (acceptable error - in decimal)	0.05																										
S (estimated from this sample)	0.1514																										
Recommended minimum:	35																										
Actual sample size:	53																										
Conclusion:	OK																										
NORMALITY																											
Binomial Test																											
# ratios below mean:	22																										
# ratios above mean:	31																										
z:	1.098884512																										
Conclusion:	Normal*																										
*i.e., no evidence of non-normality																											

## Improvement Ratio Study (After) 2005 Assessments

Quadrant/Crew:	Lien Date:	Date:	Sales Dates:		
East Crew	1/1/2005	4/14/2005	1/9/02 - 12/14/04		
Area	Appr ID:	Prop Type:	Trend used?: Y / N		
085-000	STRO	Improvement	N		
SAMPLE STATISTICS					
Sample size (n)	53				
Mean Assessed Value	1,450,000				
Mean Sales Price	1,508,200				
Standard Deviation AV	2,137,908				
Standard Deviation SP	2,259,725				
ASSESSMENT LEVEL					
Arithmetic mean ratio	0.985	Axis Title			
Median Ratio	0.980				
Weighted Mean Ratio	0.961				
UNIFORMITY					
Lowest ratio	0.6801				
Highest ratio:	1.3333	Ratio			
Coefficient of Dispersion	7.93%				
Standard Deviation	0.1181				
Coefficient of Variation	11.99%				
Price-related Differential	1.02				
RELIABILITY					
95% Confidence: Median		These figures reflect measurments after posting new values.			
Lower limit	0.959				
Upper limit	0.999				
95% Confidence: Mean					
Lower limit	0.953				
Upper limit	1.017				
SAMPLE SIZE EVALUATION					
N (population size)	897				
B (acceptable error - in decimal)	0.05				
S (estimated from this sample)	0.1181				
Recommended minimum:	22				
Actual sample size:	53				
Conclusion:	OK				
NORMALITY					
Binomial Test					
# ratios below mean:	27				
# ratios above mean:	26				
z:	0				
Conclusion:	Normal*				
*i.e., no evidence of non-normality					

## Improvement Sales Used for Area 085

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code
085	010	311078	0240	0	1862208	\$42,000	01/09/02	\$0.00	BOAT SLIP-HARBOUR VILLAGE MA	NB	1	Y
085	030	202605	9146	9,348	1863763	\$1,325,000	01/18/02	\$141.74	PARTIES FOR LESS	CBPSO	1	Y
085	025	282605	9040	3,716	1866873	\$460,000	02/05/02	\$123.79	WASHINGTON EMISSION INSPECT	LI	1	Y
085	020	082605	9100	792	1880695	\$200,000	04/10/02	\$252.53	OFFICE & ESPRESSO STAND	R15 OP	1	Y
085	065	124870	0160	11,700	1880173	\$2,875,000	04/12/02	\$245.73	OFFICE BUILDING	PLA 4	1	Y
085	055	388580	3340	1,388	1883380	\$455,000	04/30/02	\$327.81	EASTLAKE REAL ESTATES OFFICE	PR 3.6	1	Y
085	025	282605	9169	18,496	1884895	\$1,801,000	05/09/02	\$97.37	LINE RETAIL	BC	1	Y
085	010	011410	0895	5,307	1895621	\$1,150,000	06/26/02	\$216.69	SARVIS MOBILE HOME PARK	R24	1	Y
085	010	011410	0560	8,988	1895996	\$926,250	06/27/02	\$103.05	OFFICE BUILDING	O	1	Y
085	065	390010	1026	7,163	1895847	\$1,490,000	07/01/02	\$208.01	OLYMPIC BLDG	CBD-B	1	Y
085	065	082505	9196	8,896	1899861	\$1,850,000	07/25/02	\$207.96	KIRKLAND RETAIL/OFFICE/REST.	CBD 2	1	Y
085	045	250550	0145	14,951	1910438	\$2,950,000	09/10/02	\$197.31	SKILLINGSTAD CONST	PR 5.0	1	Y
085	045	012000	0160	5,066	1921700	\$1,100,000	11/12/02	\$217.13	DIRECT MAILING SOLUTIONS	LI	1	Y
085	020	082605	9165	2,061	1942749	\$415,000	02/24/03	\$201.36	CONV. SFR INTO OFFICE	R15 OP	1	Y
085	020	082605	9111	5,100	1945094	\$675,000	03/13/03	\$132.35	RETAIL STORE	R15 OP	2	Y
085	040	919410	0015	0	1947518	\$1,400,000	03/25/03	\$0.00	FIRWOOD LANE M H PARK	RSX7.2	1	Y
085	025	282605	9163	15,203	1950897	\$1,805,000	04/09/03	\$118.73	JIFFY LUBE & AUTO SERVICE SHC	LI	1	Y
085	025	282605	9040	3,716	1953992	\$600,000	04/24/03	\$161.46	WASHINGTON EMISSION INSPECT	LI	1	Y
085	020	072605	9204	5,400	1962620	\$850,000	05/23/03	\$157.41	NAPA AUTO PARTS	R15 OP	1	Y
085	070	347180	0065	2,484	1964426	\$700,000	06/04/03	\$281.80	SFR HSE CONVERTED TO COMME	PR 3.6	1	Y
085	020	096700	0245	8,330	1968466	\$810,000	06/23/03	\$97.24	MAIN STREET MALL	R15 OP	2	Y
085	075	389310	0855	13,600	1970038	\$1,300,000	06/27/03	\$95.59	PEGASUS NW-LGT MFG	LI	1	Y
085	020	062605	9120	14,000	1970030	\$2,100,000	06/27/03	\$150.00	RETAIL BUILDING	R15 OP	1	Y
085	020	096700	0070	10,620	1970590	\$900,000	07/01/03	\$84.75	RETAIL STORES	R15 OP	2	Y
085	020	082605	9128	6,026	1976710	\$900,000	07/24/03	\$149.35	US BANK	R15 OP	1	Y
085	020	605760	0102	2,235	1976149	\$425,000	07/28/03	\$190.16	CHRYSLIS SCHOOL	R15 OP	1	Y
085	025	282605	9026	6,016	1985684	\$905,000	08/28/03	\$150.43	CHILDREN'S WORLD DAY CARE C	RM1.8	1	Y
085	020	082605	9102	2,584	2004351	\$446,600	10/03/03	\$172.83	FORD DENTAL LAB	R 15	1	Y
085	065	052505	9040	13,847	1995158	\$3,000,000	10/09/03	\$216.65	RETAIL	CBD 2	3	Y
085	020	072605	9037	5,448	1996862	\$625,000	10/21/03	\$114.72	AUTO REPAIR AND RETAIL	R15 OP	1	Y
085	070	135510	0010	9,400	1998122	\$2,000,000	10/22/03	\$212.77	OFFICE CONDO		1	Y
085	020	097000	0030	2,808	2007258	\$490,000	10/31/03	\$174.50	DENTAL OFFICE & APTS	R15 OP	1	Y
085	030	357980	0551	1,887	2002258	\$345,000	11/11/03	\$182.83	STORAGE & SINGLE FAMILY	R24SO	1	Y
085	020	956780	0025	2,637	2006878	\$650,000	12/10/03	\$246.49	SMALL OFFICE BUILDING	R15 OP	1	Y
085	020	072605	9444	9,769	2012552	\$2,100,000	01/05/04	\$214.97	Two medial office buildings prim	R15 OP	2	Y
085	020	082605	9072	2,000	2018662	\$485,000	02/11/04	\$242.50	SMALL OFFICE BUILDING	R15 OP	1	Y
085	075	389310	0920	46,089	2021598	\$3,900,000	03/01/04	\$84.62	WEATHER VANE	LI	2	Y
085	020	072605	9180	6,479	2030990	\$850,000	04/08/04	\$131.19	OFFICE BUILDING	R15 OP	4	Y
085	010	011410	0485	3,000	2044560	\$200,000	06/03/04	\$66.67	WAREHOUSE	R48	1	Y
085	055	388580	4670	2,200	2045779	\$888,000	06/03/04	\$403.64	Converted SFR to Office	PR 3.6	1	Y
085	055	388580	3875	7,500	2047170	\$1,760,000	06/15/04	\$234.67	MARKET SQUARE BUILDING	PR 3.6	1	Y
085	020	062605	9199	3,812	2048645	\$400,000	06/16/04	\$104.93	OFFICE & APARTMENT	R15 OP	1	Y
085	020	096700	0410	1,352	2062433	\$360,000	08/13/04	\$266.27	OFFICE (CONV. RES.)	R15 OP	1	Y
085	040	302605	9026	9,130	2068165	\$2,500,000	09/01/04	\$273.82	JUANITA BEACH BROILER	JBD 1	1	Y
085	020	072605	9428	4,104	2074566	\$585,000	09/07/04	\$142.54	OFFICE	R15 OP	1	Y
085	035	282605	9041	6,230	2074216	\$1,590,000	09/15/04	\$255.22	MEDICAL OFFICE	LI	1	Y
085	020	082605	9050	7,200	2074179	\$500,000	09/23/04	\$69.44	KENT GYPSUM	B/O-P/R	1	Y
085	070	246540	0080	70,019	2074876	\$16,270,000	10/05/04	\$232.37	LAKE WASHINGTON PARK	PR 3.6	1	Y
085	025	282605	9006	17,280	2083787	\$2,885,000	11/11/04	\$166.96	VIRGINIA MASON MEDICAL CENTE	PR 3.6	1	Y
085	025	272605	9074	64,387	2087191	\$3,300,000	12/01/04	\$51.25		ISO	4	Y
085	020	082605	9162	950	2088329	\$127,400	12/03/04	\$134.11	MIXED USE OFFICE/RETAIL	R15 OP	1	Y
085	025	282605	9077	6,871	2094535	\$1,550,000	12/06/04	\$225.59	Discount Tires	LI	2	Y
085	025	692840	0032	7,000	2090311	\$1,718,500	12/14/04	\$245.50	RESTAURANT (FORMER COWBOY	PLA 8	1	Y